

This is interesting. The energy conservation provisions are the only portion of the whole Building Code that, rather than costing homeowners money, actually **improves their financial picture**. With measures such as this, cash flow is usually positive the first month and long term savings are substantial. Energy loans are also available to accommodate the costs of improvements. Reasonable energy improvements do not keep 1st time buyers out of the market. Affordability is not the issue here.

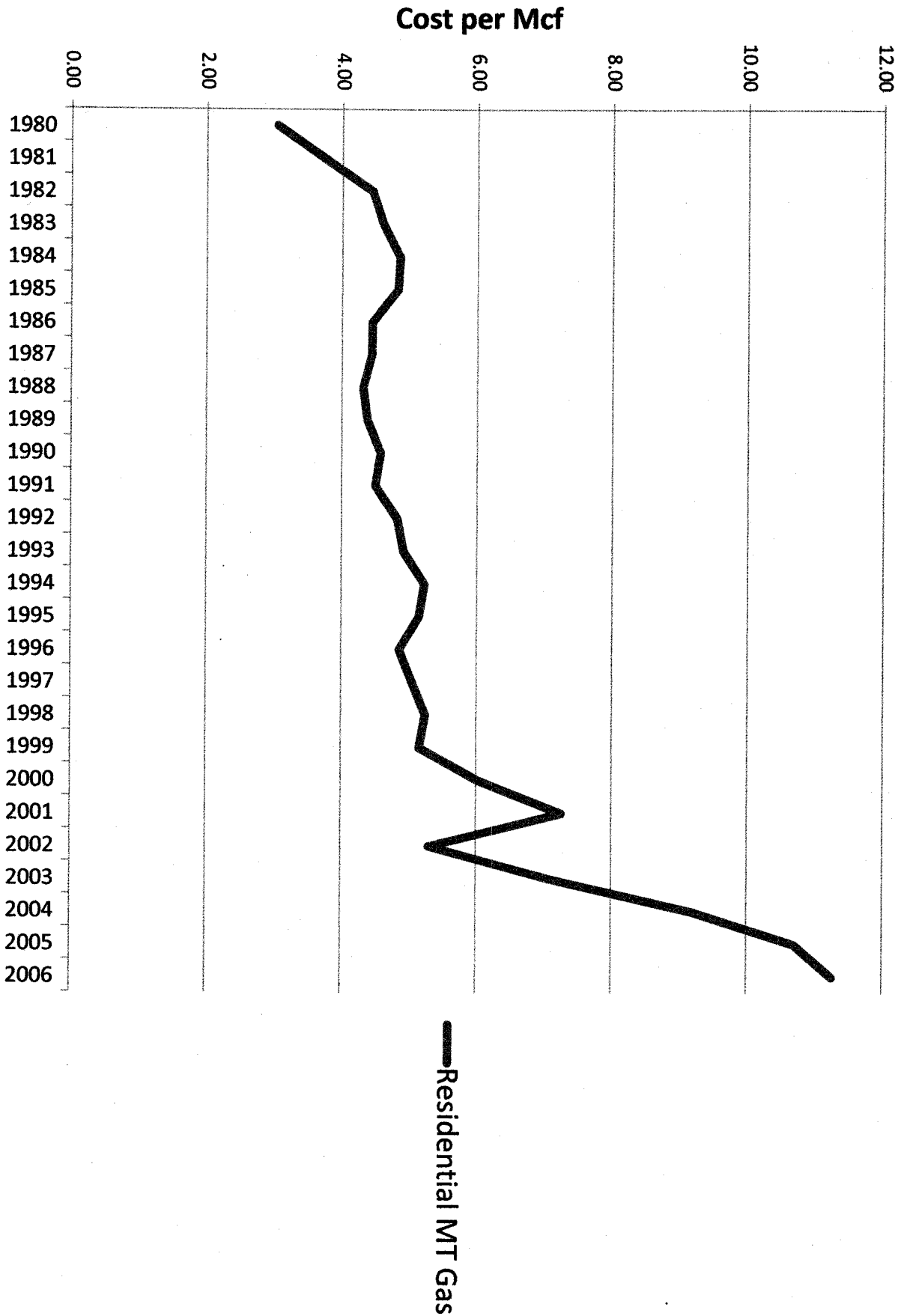
Crucially, I can also say that **the code sets the standard for probably 95% of all houses being built**. Given the competitive nature of the housing market, if the code doesn't establish reasonable energy efficiency requirements, then it isn't going to happen. Price, square footage and design features trumps energy efficiency because the visual sells. Buyers cannot see what is inside the walls and they won't know what their energy costs are until they have gone through their first winter.

And because this bill set the bar too high, it will, in effect, institute a freeze on energy improvements in the building sector. Over time, as houses are bought and sold, all Montanans will be affected. Montana's building practices will stagnate relative to the rest of the country.

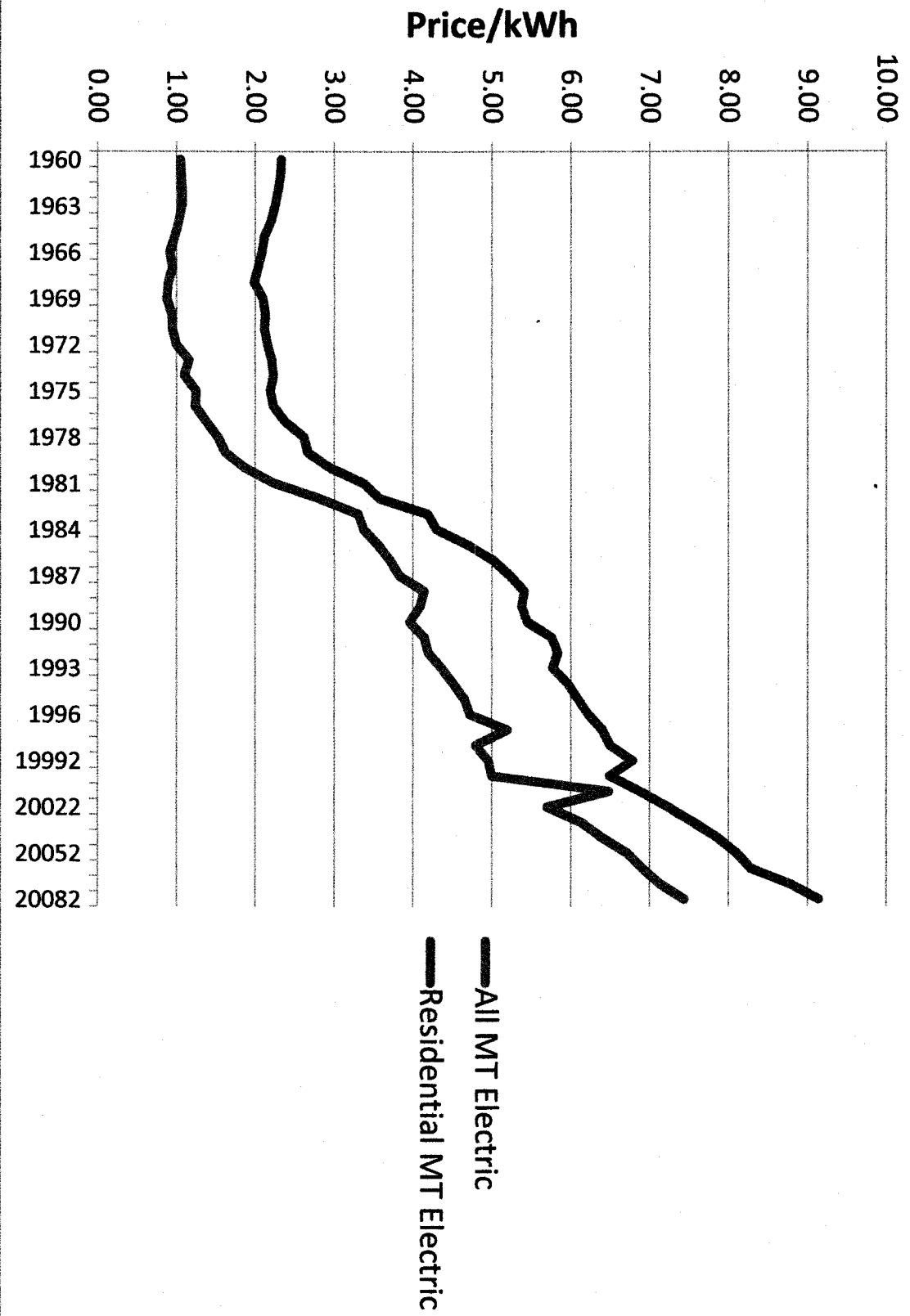
Why is this issue important? What is wrong with maintaining our current practices? What happens when energy prices do change? I grew up in the 50's and 60's on the Hi-Line. I still have this built-in sense that energy is cheap and stable. But is that realistic?

Show slides of energy fluctuation.

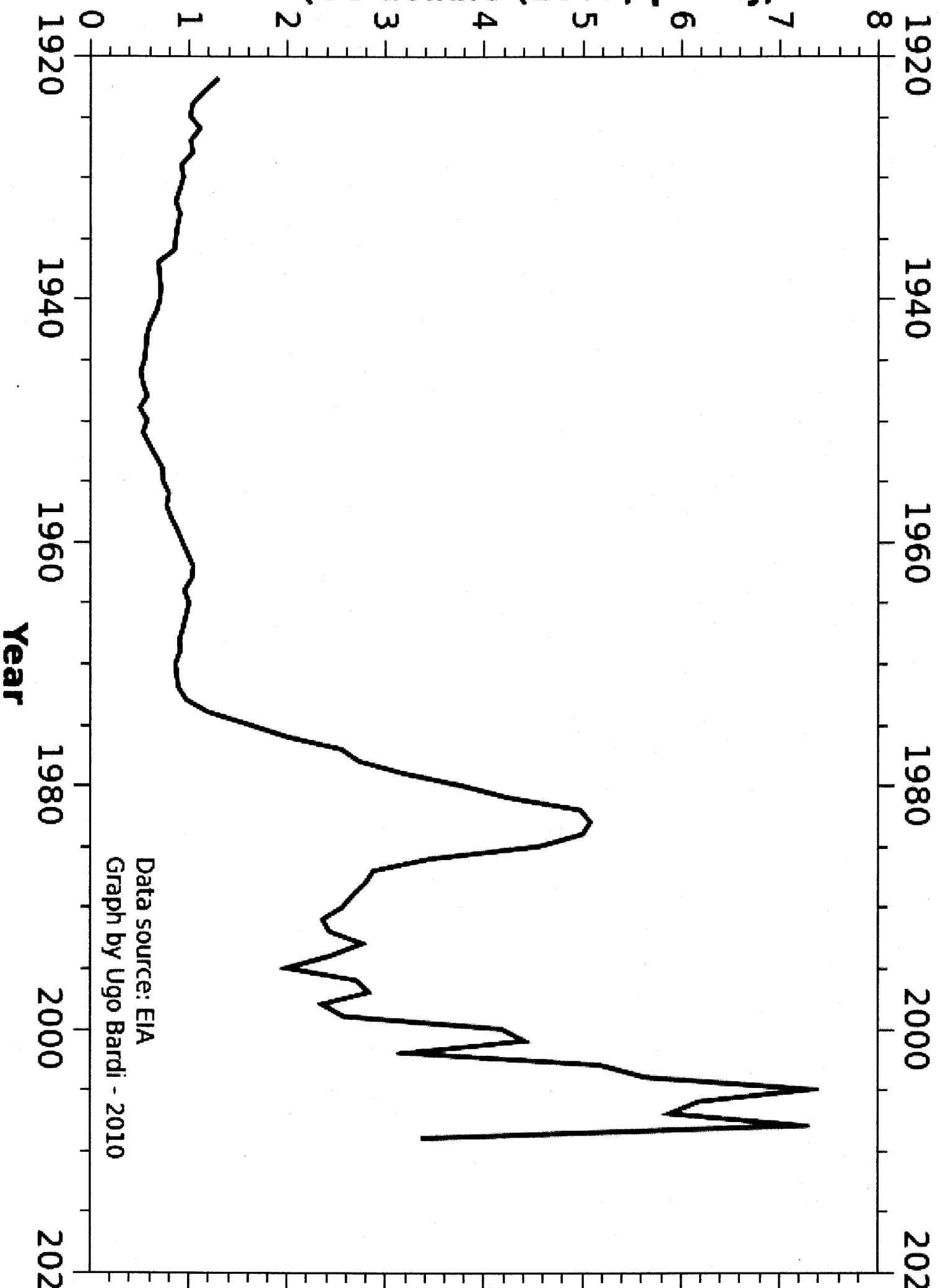
MT Residential Gas Prices



Montana Electricity prices



Natural gas prices



Data source: EIA
Graph by Ugo Bardi - 2010